

1 ARIZONA DEPARTMENT OF FINANCIAL INSTITUTIONS

2 In the Matter of the Mortgage Broker License of:

No. 10F-BD069-SBD

3 **SAVMONY FINANCIAL, LLC DBA**
4 **SAVMONY MORTGAGE &**
5 **INVESTMENTS and MICHAEL R.**
6 **WALLEN, MEMBER**
7 633 E. Ray Road, Suite 106
Gilbert, AZ 85297

**ORDER OF SUMMARY SUSPENSION
AND NOTICE OF OPPORTUNITY FOR
HEARING**

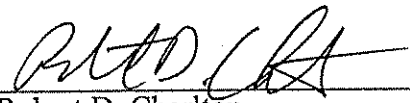
Respondents.

8 The Arizona Department of Financial Institutions (the "Department") hereby finds that
9 Savmony Financial, LLC DBA Savmony Mortgage & Investments and Michael R. Wallen, Member,
10 ("Respondents") have violated the provisions of the Arizona Revised Statutes ("A.R.S."), Title 6 as
11 set forth below and finds that the public health, safety and welfare require emergency action
12 pursuant to A.R.S. §§ 6-905 and 41-1092.11(B).

13 **THEREFORE, IT IS ORDERED** to summarily suspend the Arizona mortgage broker
14 license held by Respondents. **This suspension is effective immediately.**

15 EFFECTIVE this 8th day of December, 2009.

16 Thomas L. Wood
17 Acting Superintendent of Financial Institutions

18 By 
19 Robert D. Charlton
20 Assistant Superintendent of Financial Institutions

21
22 PLEASE TAKE NOTICE that, pursuant to Titles 6 and 41 of the Arizona Revised Statutes
23 and Title 20, Chapter 4 of the Arizona Administrative Code ("A.A.C."), Respondents are hereby
24 notified that they are entitled to a hearing to contest the allegations set forth in this Order. The
25 Request for Hearing shall be filed with the Arizona Department of Financial Institutions (the
26 "Department") pursuant to A.R.S. § 6-137(D) within **thirty (30) days** of service of this Order and

1 shall identify with specificity the action or order for which review is sought in accordance with
2 A.R.S. § 41-1092.03(B).

3 Pursuant to A.R.S. §§ 41-1092.01(D) and 41-1092.03(B), any person may appear on his or
4 her own behalf or by counsel. If Respondents are represented by counsel, the information required
5 by A.R.S. § 41-1092.03(B) shall be included in the Request for Hearing. Upon the filing of a
6 Request for Hearing, the Department shall issue a Notice of Hearing scheduling the matter for
7 hearing in accordance with A.R.S. § 41-1092.05. **Persons with disabilities may request**
8 **reasonable accommodations such as interpreters, alternative formats, or assistance with**
9 **physical accessibility.** Requests for special accommodations must be made as early as possible to
10 allow time to arrange the accommodations. If accommodations are required, call the Office of
11 Administrative Hearings at (602) 542-9826.

12 Respondents have the right to request an Informal Settlement Conference, pursuant to A.R.S.
13 § 41-1092.06, by filing a written request no later than **twenty (20) days** before the scheduled
14 hearing. The conference will be held within **fifteen (15) days** after receipt of your request. If an
15 Informal Settlement Conference is requested, a person with the authority to act on behalf of the
16 Department will be present (the "Department Representative"). Please note that in requesting an
17 Informal Settlement Conference, Respondents waive any right to object to the participation of the
18 Department Representative in the final administrative decision of this matter, if it is not settled. In
19 addition, any written or oral statement made by Respondents at such informal settlement conference,
20 including written documentation created or expressed solely for purposes of settlement negotiations,
21 are inadmissible in any subsequent administrative hearing. (See A.R.S. § 41-1092.06 for rules
22 regarding informal settlement conferences.) Conversely, any written or oral statement made by
23 Respondents outside an Informal Settlement Conference is not barred from being admitted by the
24 Department in any subsequent hearing.

25 If Respondents do not request a hearing, this Order shall become final. If Respondents
26 request a hearing, the purpose of the hearing shall be to determine if grounds exist for: (1) the

1 issuance of an order pursuant to A.R.S. § 6-137 directing Respondents to cease and desist from the
2 violative conduct and to take the appropriate affirmative actions, within a reasonable period of time
3 prescribed by the Superintendent, to correct the conditions resulting from the unlawful acts,
4 practices, and transactions; (2) the imposition of a civil monetary penalty pursuant to A.R.S. § 6-
5 132; (3) the suspension or revocation of Respondents' license pursuant to A.R.S. § 6-905; (4) an
6 order to pay restitution of any fees earned on loans made in violation of A.R.S. § 6-901, *et seq.*,
7 pursuant to A.R.S. §§ 6-131(A)(3) and 6-137; and (5) an order or any other remedy necessary or
8 proper for the enforcement of statutes and rules regulating mortgage brokers pursuant to A.R.S. §§
9 6-123 and 6-131.

10 FINDINGS

11 1. Respondent Savmony Financial, LLC DBA Savmony Mortgage & Investments
12 ("SMI"), is an Arizona limited liability company authorized to transact business in Arizona as a
13 mortgage broker, license number MB 0909194, within the meaning of A.R.S. §§ 6-901, *et seq.* The
14 nature of SMI's business is that of making, negotiating, or offering to make or negotiate loans
15 secured by Arizona real property, within the meaning of A.R.S. § 6-901(11).

16 2. Respondent Michael R. Wallen ("Mr. Wallen") is 100 percent (100%) owner of SMI
17 and the Responsible Individual. Mr. Wallen is authorized to transact business in Arizona as a
18 mortgage broker within the meaning of A.R.S. § 6-903(H).

19 3. Pursuant to A.R.S. § 6-903(J), Respondents are required to have a surety bond in the
20 amount set forth in A.R.S. § 6-903(K), or an alternative as set forth in A.R.S. § 6-903(M).

21 4. On October 2, 2009, the Department received notification from Hartford Fire
22 Insurance Company stating that SMI's surety bond, number 59BSBEK6803 in the amount of
23 \$10,000.00, is to be cancelled effective November 8, 2009.

24 5. On October 7, 2009, the Department sent a letter to Respondents, to the address on
25 record with the Department, via certified mail, informing them of the bond cancellation. On
26 November 9, 2009, the letter was returned to the Department as not deliverable as addressed and

1 unable to forward.

2 6. Respondents failed to provide documentation regarding the reinstatement of their
3 bond or documentation of a new surety bond.

4 7. Respondents do not have the required surety bond in order to conduct business as a
5 mortgage broker.

6 8. The conduct described above constitutes an immediate threat to the public health,
7 safety, and welfare warranting immediate suspension of Respondents' mortgage broker license.

8 9. The conduct described above constitutes grounds for the suspension of Respondents'
9 mortgage broker license.

10 LAW

11 1. Pursuant to A.R.S. Title 6, Chapter 9, the Superintendent has the authority and duty to
12 regulate all persons engaged in the mortgage broker business and with the enforcement of statutes,
13 rules, and regulations relating to mortgage brokers.

14 2. By the conduct set forth in the Findings, Respondents have failed to maintain the
15 surety bond required by A.R.S. § 6-903(J).

16 3. Pursuant to A.R.S. §§ 6-905 and 41-1092.11(B), the conduct described above
17 constitutes an immediate threat to the public health, safety and welfare warranting immediate
18 suspension of Respondents' mortgage broker license.

19 4. Respondents have not conducted business in accordance with the law and have
20 violated Title 6, Chapter 9, which constitutes grounds for the suspension or revocation of
21 Respondents' license pursuant to A.R.S. § 6-905(A)(3).

22 5. The violations, set forth above, constitute grounds for the pursuit of any other remedy
23 necessary or proper for the enforcement of statutes and rules regulating mortgage brokers in Arizona
24 pursuant to A.R.S. §§ 6-123 and 6-131.


25 6. Pursuant to A.R.S. § 6-132, Respondents' violation of the aforementioned statutes is
26 grounds for a civil penalty of not more than five thousand dollars (\$5,000.00) for each violation for

1 each day.

2 WHEREFORE, if Respondents do not request a hearing to contest the above Findings or
3 produce evidence of a valid surety bond, Respondents' license shall remain suspended unless and
4 until reinstated or until said license expires by operation of law.

5
6 DATED this 8th day of December, 2009.

7 Thomas L. Wood
8 Acting Superintendent of Financial Institutions

9 By 
10 Robert D. Charlton
11 Assistant Superintendent of Financial Institutions

12 ORIGINAL of the foregoing filed this 8th
13 day of December, 2009, in the office of:

14 Thomas L. Wood
15 Acting Superintendent of Financial Institutions
16 Arizona Department of Financial Institutions
17 ATTN: Susan Longo
18 2910 N. 44th Street, Suite 310
19 Gilbert, AZ 85297

20 COPY mailed/delivered same date to:

21 Craig A. Raby
22 Assistant Attorney General
23 Attorney General's Office
24 1275 West Washington
25 Phoenix, AZ 85007

26 Richard Fergus, Licensing Division Manager
Robert D. Charlton, Assistant Superintendent
Arizona Department of Financial Institutions
2910 N. 44th Street, Suite 310
Gilbert, AZ 85297

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2 AND COPY MAILED SAME DATE, by
3 Certified Mail, Return Receipt Requested to:

4 Michael R. Wallen, Member
5 Savmony Financial, LLC DBA Savmony Mortgage
6 & Investments
7 633 E. Ray Road, Suite 106
8 Gilbert, AZ 85297
9 Respondents

10 Michael R. Wallen, Statutory Agent for
11 Savmony Financial, LLC DBA Savmony Mortgage
12 & Investments
13 3487 E. Elgin St.
14 Gilbert, AZ 85297

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